

Dallas, TX

U.S. Construction Market | Market Snapshot Q4 - 2022

The Dallas-Fort Worth Metroplex is one of the fastest-growing urban areas in the country. Almost one in five residents moved here in the last ten years, filling in communities on the periphery. Unlike cities on the West Coast, Dallas is relatively flat and has been able to accommodate these residents without changing zoning laws or costs rising too much. This has caused the urban area to grow into something roughly the size of New Jersey. Tying these communities together, however, requires upgrading existing highways and building access to these new developments.

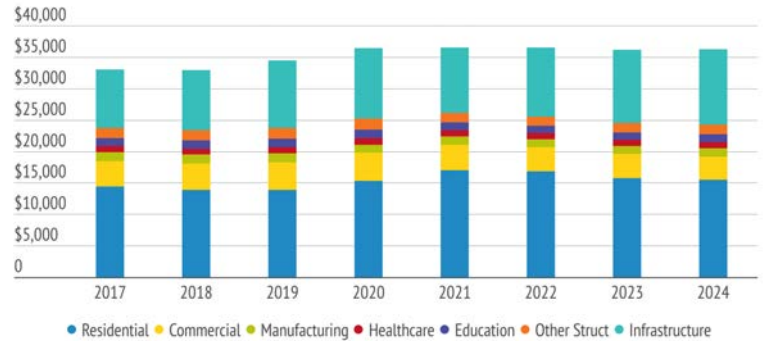
The construction market in Dallas has proven to be steady and reliable and should keep the trend throughout the 2020s. We expect the market to peak next year before leveling off the year after, due to pandemic-related projects finally finishing up. Overall, however, the forecast for Dallas has not changed significantly since our last report.

Total Construction Market Volume by Sector (x \$1m, Nominalized 2012\$)

Sector	HISTORIC				FORECAST			
	2017	2018	2019	2020	2021	2022	2023	2024
Total Increase	3.4%	-0.3%	4.6%	7.8%	1.0%	-3.4%	-2.9%	-0.3%
Residential	12.2%	-3.5%	-0.3%	11.8%	12.1%	3.5%	-10.5%	-2.0%
Commercial	5.0%	4.2%	3.3%	4.3%	-7.8%	-9.6%	-7.7%	-5.6%
Manufacturing	-12.1%	-0.7%	8.4%	-7.0%	-0.9%	4.5%	4.2%	-8.4%
Healthcare	6.5%	-2.3%	5.4%	7.5%	-2.8%	-8.9%	-3.7%	1.8%
Education	5.2%	1.8%	5.0%	1.4%	-12.8%	-8.4%	0.2%	1.8%
Other Struct*	6.8%	1.1%	-0.7%	10.3%	-12.4%	-13.9%	-2.7%	1.5%
Infrastructure	-7.2%	2.6%	12.7%	6.7%	-6.0%	-10.5%	11.7%	4.5%

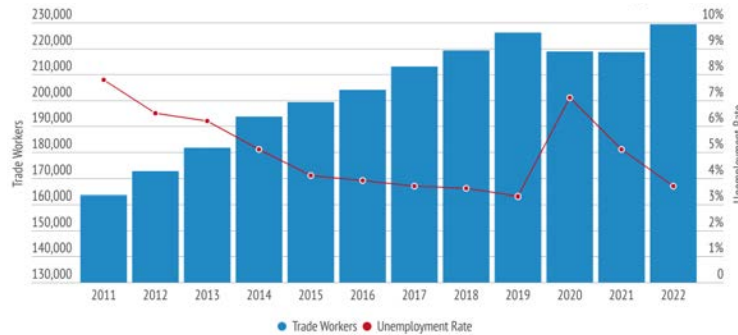
* This includes religious buildings, amusement, government communications, and public recreation projects.

Annual Volume (x\$1M, 2012\$)



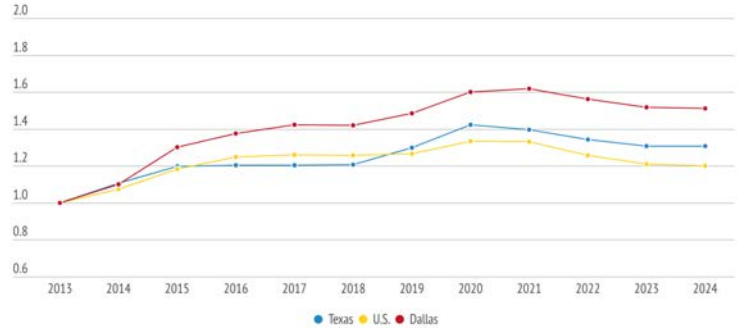
SOURCE: IHS-Markit

Regional Construction Employment



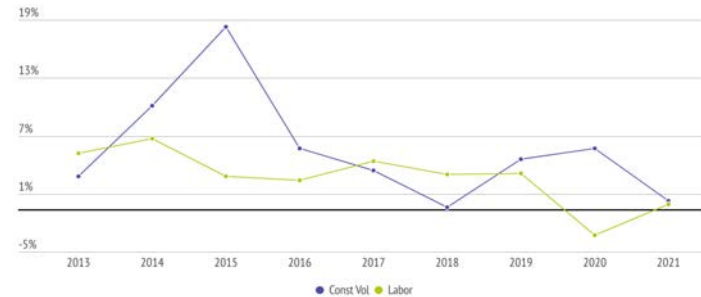
SOURCE: U.S. Bureau of Labor Statistics

Construction Spending Index 2013-2023 (2013=1.0)



SOURCE: IHS-Markit

Construction Volume vs Labor - Annual Increase/Decrease



SOURCE: ReedConnect

Top Regional Projects Sorted by Construction Value

Project	Location	Value
Hyperloop One / Texas Triangle	Dallas	77.4B
Texas Central Railway High-Speed Line	Dallas	18.0B
Dallas Midtown - Remaining Phases	Dallas	3.5B
DFW Airport Terminal F	Irving	3.0B
The Central - Remaining Phases	Dallas	2.5B
New Convention Center - City of Dallas	Dallas	1.9B
Interstate 20 Mixed-Use Development / Mesquite	Mesquite	1.8B
D2 Subway Second CBD Alignment	Dallas	1.7B
RFQ Design - New Pediatric Campus	Dallas	1.6B
CityLine Towers	Richardson	1.5B

SOURCE: ReedConnect